EXHIBIT 2

UNITED STATES DISTRICT COURT

DISTRICT OF MASSACHUSETTS

ASTELLAS INSTITUTE FOR REGENERATIVE MEDICINE, AND STEM CELL & REGENERATIVE MEDICINE INTERNATIONAL, INC.,	)	
Plaintiffs,	)	
vs.	)	C.A. No. 1:17-cv-12239
IMSTEM BIOTECHNOLOGY, INC., XIAOFANG WANG, and REN-HE XU,	)	
Defendants.	)	

CONFIDENTIAL - PROTECTIVE ORDER

VIDEOTAPED DEPOSITION OF REN-HE XU, taken on behalf of the Plaintiffs, at 12670 High Bluff Drive, San Diego, California, commencing at 9:19 a.m. and ending at 5:10 p.m., Wednesday, July 3, 2019.

Reported by:
Audrey L. Ricks
CSR No. 12098, CCR, RPR, CLR

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collaborative data, the data from us, especially the in vivo data, in international conference.

Secondly, they had a plot to block our publication. So our collaboration was, in my mind was all about the publication in good quality journal, but they had a plot to prevent that. And they took -- they wanted to take all the credit. So I feel unfortunate to collaborate with them.

BY MR. FRAZIER:

Q But you were given cells and a protocol; correct?

MR. SHANNON: Objection.

THE WITNESS: I said I feel unfortunate. If I didn't get the cells from them, I would have our own TMSC method as well.

BY MR. FRAZIER:

Q But you didn't describe the TMS -- the TMSC method in this grant application; right?

A At that time we didn't include the -- that method. That was in -- under filing, I think, maybe at that time. I'm not very clear.

First -- secondly, it's because, as I said, no matter which method you make, the grant application is the same. You -- you are targeting a highly devastating disease in the west, and using a

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new cell type. So that's -- and especially this new cell type we found it has much lower pro-inflammatory factor IO6 and we could also use mitotically-inactivated cells for the treatment. These are all blessing, you know, for patients. So that's -- those ideas matter.

Also you use MSC to treat the disease, there's already tons of papers, tons of ideas. But to use this ES-derived MSC to treat this disease with low prolif -- pro-inflammatorous cytokine IO6 and mitotically-inactivated cells instead of mitotically-active cells, this significantly reduced the bio safety concern.

Q Right. And -- and you obviously were not the first one to come up with the idea of mitotically inactivating stem cells; correct?

A Mitotically inactivating cells is not new, but mitotically inactivated ES-derived MSC is new. It's important.

Q It was only new because they were a new cell type as taught to you by ACT; right?

MR. SHANNON: Objection.

THE WITNESS: It's new because we tell -- clearly tell people that mitotically inactivation doesn't matter for the cell effects. So you can

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inhibit or inactivate the mitosis of the cells. The cells still have effect.

This is very good news to patients. So it's dramatically reduced the bio safety. You don't need to concern the cells will proliferate in your body. Those cells are from an ES cell line, right? You don't want that. So this is great news.

BY MR. FRAZIER:

Q Other people had already mitotically-inactivated MSC cells before using them in animal models; correct?

A I don't think so.

Q Have you studied the literature on that?

A We searched around and we didn't see similar reports before.

That's why I feel Xiaofang is a really brilliant scientist. I was very fortunate to have him as my postdoc, so he really had good background in immunology training and also he capture a lot from my stem cell research and developed very fast. He's a very good scientist.

MR. FRAZIER: All right. Let me show you what's been previously marked as Exhibit 50.

(Previously marked Exhibit 50 reviewed by the witness.)

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BY MR. FRAZIER:

Q My question is, do you recognize what Exhibit 50 is?

A No. First time to me.

Q You haven't seen this one before?

A No.

Q Okay. All right. Are you aware that there were various presentations of information made to potential investors in ImStem?

A I knew they were looking for some more investment. Yeah.

Q All right. But you didn't review either the -- the business plan or the slides that are attached to Exhibit 50?

A No.

MR. FRAZIER: Let's see. There's another one in the stack there in front of you that is Exhibit 66.

(Previously marked Exhibit 66 reviewed by the witness.)

BY MR. FRAZIER:

Q You see Exhibit 66 is another collection of e-mails, this time from August of 2013?

A Yeah. There's -- it's talking about mice.

Q Yeah. So you see it begins on page 31134